

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

FTX TRADING LTD., *et al.*,¹

Debtors.

Chapter 11

Case No. 22-11068 (KBO)

(Jointly Administered)

**DECLARATION OF CLAIMANT LAWRENCE D. VAN DYN HOVEN IN SUPPORT OF
HIS RESPONSE IN OPPOSITION TO THE DEBTOR’S ONE HUNDRED EIGHTY-
SIXTH OMNIBUS OBJECTION AND HIS MOTION TO RECONSIDER THE
DISALLOWANCE OF CUSTOMER PROOF OF CLAIM 98560 AND EXTEND THE
APPLICABLE BAR DATE FOR CUSTOMER PROOF OF CLAIM 98560 OR NON-
CUSTOMER PROOF OF CLAIM 100112**

I, Lawrence D. Van Dyn Hoven, declare as follows:

1. I am a 69-year-old citizen of the United States of America and reside in Wisconsin.
2. I am not an attorney and have no legal training. Nor am I familiar with any of the specific requirements or procedures related to bankruptcy proceedings. Until recently (late-July 2025), I have not been advised or represented by legal counsel in connection with my claims in this matter.
3. From March into May of 2022, I was the victim of a complex, online social engineering fraud. As a result of the fraud, I lost over \$2,500,000, which constituted most of my life and retirement savings. The funds were stolen from me as cryptocurrency. I traced these funds to multiple wallets, one of which is held by and managed on FTX Trading Ltd.’s (“FTX”)

¹ The last four digits of FTX Trading Ltd.’s and Alameda Research LLC’s tax identification numbers are 3288 and 4063 respectively. Due to the large number of debtor entities in these Chapter 11 Cases, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors’ claims and noticing agent at <https://cases.ra.kroll.com/FTX>.

cryptocurrency exchange network/system. To the best of my knowledge, \$1,396,470 worth of USDT² (the stablecoin issued by Tether), which was stolen from me, remains in this wallet. In June 2023, I submitted a demand letter to FTX outlining the claims I believe I have against the company and demanding the return of my funds. I received no response. It was not until December 2024 that I learned I needed to formally submit my claims through the FTX bankruptcy proceeding. I submitted a formal Customer proof of claim on December 18, 2024. However, in subsequent consultation with the bankruptcy's administrator, I received confusing and conflicting advice from the bankruptcy administrator as to whether my claim was properly a "Customer" or "Non-Customer" claim (since I have never had an account or relationship with FTX). As a result, and at the bankruptcy administrator's suggestion, I refiled my claim as a Non-Customer proof of claim on April 14, 2025, and then withdrew my December 2024 Customer Claim. The FTX Recovery Trust objects to my April 2025 Claim as late filed. I humbly ask that the Court and the FTX Recovery Trust not dismiss my Claim(s) and instead allow them to be considered and decided on their merits.

The Underlying Fraud:

4. I retired in late 2021 after nearly 35 years in the insurance industry. By early 2022, I was concerned about the negative impact the state of the domestic and global economies (and associated market volatility) were having on the funds I had saved for retirement.

5. In approximately February of 2022, I was contacted online by an individual calling herself "Aleen," who presented herself as an experienced "crypto investment advisor" working for (or with) Coinbase—a reputable company that operates a large cryptocurrency exchange—and

² Upon information and belief, at all relevant times one USDT has been worth approximately one US dollar.

other crypto investment advisors (collectively, the “Fraudsters”). Over the course of several weeks in early 2022, the Fraudsters made numerous representations and promises to me about the nature of the investment services they could provide me, the returns I could expect, and the risks (mostly the lack thereof) involved with these services and investments. I would subsequently learn that nearly all the Fraudsters’ representations (including their affiliation with Coinbase) and promises were untrue.

6. After weeks of extensive conversations with the Fraudsters, I decided to invest with/through them. The funds I “invested” constituted a significant portion of my overall life and retirement savings.

7. From March into May of 2022, at the direction of the Fraudsters, I transferred approximately \$2,500,000 in fiat currency from a bank account I held at Associated Bank to an account I held at/with Coinbase. I then converted nearly all my fiat funds to USDT and transferred nearly all the USDT to wallets held by the Fraudsters. A true and correct copy of the transaction log from my Coinbase account during this time is attached hereto as **Exhibit A**. As described below, some of the USDT the Fraudsters stole from me would later be traced to a wallet held on/by FTX.

8. In May of 2022, after the aforementioned transactions were completed, Associated Bank froze my account. When I contacted Associated regarding the freeze, I was told they suspected I was the victim of a scam/fraud. I quickly investigated, including by confronting the Fraudsters with this allegation. I received no meaningful response from the Fraudsters. This lack of response, combined with other information I then came to learn, caused me to realize I had been defrauded. The Fraudsters never invested or otherwise managed the USDT I transferred to them

as they promised they would. Instead, they stole it and, upon information and belief, used much of it to enrich themselves.

9. None of the USDT I sent the Fraudsters has been returned to me, nor have I received any “proceeds” or “earnings” from these funds as the Fraudsters promised I would. Since confronting the Fraudsters with their deception in May of 2022, I have had no contact with them, nor received any funds of any kind from them.

Investigative Efforts and Initial Attempts at Recovery:

10. Between May and August of 2022, I took numerous steps to try and recover the assets that were misappropriated from me. This included engaging an asset recovery firm called “PayBack.” Based on PayBack’s advertising and my conversations with its representatives, I believed that PayBack was a reliable firm that would develop—and assist me with executing—a sound strategy to get my money back. However, Payback *never* advised me about FTX’s bankruptcy, let alone the impact that bankruptcy would have on my ability to collect funds from and/or assert claims against FTX. In fact, I was ultimately the one who brought FTX’s bankruptcy to PayBack’s attention.

11. Starting in approximately August of 2022, PayBack and I contacted international law enforcement and regulatory authorities in an attempt to bring the Fraudsters to justice and recover my funds. However, to date, our efforts have been unsuccessful. I have not recovered any of the funds the Fraudsters illegally took from me.

12. In February 2023, I was contacted by special agents with the Federal Bureau of Investigation (FBI) and Internal Revenue Service (IRS). I provided them with the evidence I have and will continue to assist their investigations however I can. However, by late 2023, law enforcement indicated to me that they could or would not further investigate the fraud committed

against me. This was not because they do not believe I was defrauded (they do) but rather because of limitations on/in their time, resources, jurisdiction, and ability to locate and prosecute the Fraudsters. Thus, I believe there is little or no likelihood of recovery through a criminal investigation or prosecution of the Fraudsters.

Contact with FTX and the bankruptcy administrators:

13. I have never held an account with, done any business directly with, nor purchased, traded, or sold any cryptocurrency or blockchain-related products on FTX.

14. In May 2023, PayBack informed me they had traced some of the USDT the Fraudsters stole from me to a wallet held at/on FTX. Specifically, this wallet carries the following identification number: 0xbc044b893ae5d473781106d2124976e56766a948 (the “Fraudsters’ FTX Wallet”). In July 2024, I commissioned another crypto tracing report by CNC Intelligence Inc. That report confirmed that 1,396,470 of the USDT I was misled into sending the Fraudsters was transferred to the Fraudsters’ FTX Wallet in April and May of 2022. A true and correct copy of the tracing and intelligence report from CNC is attached hereto as **Exhibit B**.

15. To my knowledge, the USDT (and any other crypto/blockchain assets) in the Fraudsters’ FTX Wallet was “frozen” due to various law enforcement agencies’ investigations into/of FTX and FTX filing for bankruptcy. My understanding is that as of the date of this Declaration, those 1,396,470 USDT are still held in/by the Fraudsters’ FTX Wallet and have not been specifically claimed by any party or claimant in FTX’s bankruptcy.

16. In June 2023, aided by PayBack, I prepared a demand letter (the “June 2023 Demand Letter”), and on June 29, 2023, advised by PayBack, I submitted the June 2023 Demand Letter to FTX by emailing it to the following publicly available FTX email addresses:

- support@ftx.com

- contact@ftx.com
- feedback@ftx.com
- hello@ftx.com
- info@ftx.com

True and correct copies of my June 29, 2023 email and June 2023 Demand Letter are attached hereto as **Exhibit C** and **Exhibit D**, respectively.

17. My June 2023 Demand Letter to FTX presented my claim that the Fraudsters had used a wallet held on/by FTX to hold, launder and or otherwise disburse USDT they fraudulently misappropriated from me; in other words, that the funds in the FTX wallet rightfully belong to me. I further stated my belief that FTX was liable to me for negligently or intentionally failing to take action that would have identified the Fraudsters' FTX Wallet as likely engaged in criminal activity and taking measures to stop the transfer of cryptocurrencies in and out of the Wallet until further investigation was completed.

18. I never received a response of any sort to my June 29, 2023 email, including no indication that the email was not received by FTX (*e.g.*, a "bounce back" email stating that one or more of the email addresses I sent it to was incorrect or otherwise inoperable). Therefore, I believed FTX had received the email and my June 2023 Demand Letter but, for whatever reason, had not responded.

19. Until June 2024, I was not specifically aware of FTX's bankruptcy. I never received any notice advising me of any "Bar Date" or the need to file a proof of claim. Although I recall reading news reports regarding FTX's collapse and the prosecution of its founder and CEO Sam Bankman-Fried in the period of November 2022 to June 2024, it was not until approximately June 2024 that I became aware of the proceedings related to FTX's bankruptcy. However, even after learning generally about FTX's bankruptcy proceedings in June 2024, I was unaware that FTX's

bankruptcy likely impacted any legal claims I had against FTX, as well as my ability to recover the 1,396,470 USDT I believe is held in the Fraudsters' FTX Wallet.

20. In December 2024, while conducting online research related to possible means to recover the funds stolen from me, I became specifically aware that FTX's bankruptcy would likely have an impact on my claims against FTX and ability to recover any amounts still held in the Fraudsters' FTX Wallet.

21. Again, aided by Payback, I prepared another demand letter (the "December 2024 Demand Letter"), and on December 16, 2024, advised by Payback, I sent the December 2024 Demand Letter by email to ftxinfo@ra.kroll.com. True and correct copies of my email from December 16 and the December 2024 Demand Letter are attached hereto as **Exhibit E** and **Exhibit F**, respectively. The December 2024 Demand Letter included substantially the same information as my June 2023 Demand Letter, as well as additional information such as the specific identification number for the Fraudsters' FTX Wallet and the hash codes for the individual transaction which caused USDT the Fraudsters misappropriated from me to enter the Fraudsters' FTX Wallet.

22. On December 16, 2024, I received a response from the email address FTXInfo@duffandphelps.mail.onmicrosoft.com. A true and correct copy of that email is attached hereto as **Exhibit G**. This was the first response or communication of any kind I received from FTX or anyone acting on its behalf. However, I believe this email was autogenerated as it did not address, in any fashion, my December 2024 Demand Letter. The email directed me to visit a website regarding the FTX bankruptcy, review the "Frequently Asked Questions," and reply to the email if I needed further assistance.

23. I visited the FTX bankruptcy administrator's website—<https://restructuring.ra.kroll.com/FTX>—as directed and reviewed some of the information therein. Specifically, for the first time, I learned there was a formal process by which I needed to submit my claims against FTX and regarding the funds remaining in the Fraudsters' FTX Wallet.

24. On December 18, 2024, I submitted a Proof of Claim through the formal process set forth on the FTX bankruptcy's website (the "December 2024 Customer Claim"). A true and correct copy of the email I received confirming that submission as well as the copy of my December 2024 Customer Claim are attached hereto as **Exhibit H** and **Exhibit I**, respectively. My December 2024 Customer Claim was assigned claim number 98560.

25. Also in December 2024, I called 888-842-0049, a number I found where FTX customers could speak with representatives of the bankruptcy administrator to address their questions regarding proofs of claims they submitted. Over the next several months, I called this number numerous times (and emailed with various customer support email addresses, *e.g.*, FTXquestions@kroll.com, customersupport@ftx.com, and noncustomersupport@ftx.com) regarding how to ensure my legal claims against FTX and regarding the funds in the Fraudsters' FTX Wallet were considered in the bankruptcy. In this process, I received conflicting information and advice as to whether my proof of claim needed to be submitted as "Customer" or "Non-Customer" claim within the bankruptcy. My December 2024 Claim was submitted as a "Customer" claim. However, due to the conflicting advice I received from the bankruptcy administrator following that submission, I ended up submitting a "Non-Customer" proof of claim on April, 14, 2025 (the "April 2025 Non-Customer Claim"). The claim number assigned to my April 2025 Non-Customer Claim is 100112. I then withdrew my December 2024 Customer Claim. A true and correct copy of my April 2025 Non-Customer Claim (100112) is attached hereto as

Exhibit J. An example of the conflicting (and what I now believe to be incorrect) advice I received from the bankruptcy administrator as to whether my claim was a “Customer” or “Non-Customer” claim, wherein a representative tells me that my claim “sounds like a non-customer claim concern,” is attached hereto as **Exhibit K.** And evidence of the withdrawal of my December 2024 Customer Claim (98560) is attached hereto as **Exhibit L.**

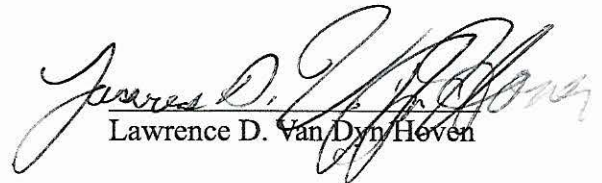
26. After I retained my attorneys in late-July 2025, they informed me that, despite having withdrawn my December 2024 Customer Claim (98560), the FTX Recovery Trust had objected to it [D.I. 30310]. The Court subsequently sustained that objection, disallowing that Claim, on June 25, 2025 [D.I. 31109]. Because I had (at the suggestion of the bankruptcy administrator) withdrawn the December 2024 Customer Claim (98560) and filed the April 2025 Non-Customer Claim (100112), I did not believe I needed to defend the December 2024 Customer Claim against the Trust’s objection.

27. I have found the terminology and definitions of FTX’s bankruptcy very confusing. As to whether my claim is properly categorized as a “Customer” or “Non-Customer” claim, my understanding changed over time, only solidifying after I recently retained counsel to advise me. In December 2024, upon reviewing the claims submission site, I believed my claim was a “Customer” claim and submitted my proof of claim accordingly. However, after that, based on the conflicting information I received from the bankruptcy administrator, I came to believe my claim was a “Non-Customer” claim. Thus, I withdrew the December 2024 Customer Claim (98560) and filed the April 2025 Non-Customer Claim (100112). Now with the benefit of counsel, I have a better understanding of what qualifies as a “Customer” claim and believe that my claim is a “Customer” claim. Had I known this in April through June of 2025, I would never have withdrawn my December 2024 Customer Claim and would have defended it against the Trust’s objection.

28. I have also found the processes and procedures related to FTX's bankruptcy very confusing. Despite submitting a demand letter to FTX in June 2023, I never received any response or indication I needed to engage with/through the bankruptcy process. At all times, I have tried my best to abide by the relevant processes, procedures, and timelines (to the extent I was aware of them) in pursuing my claims against FTX and regarding the funds in the Fraudsters' FTX Wallet.

I declare under penalty of perjury (pursuant to 28 U.S.C. § 1746) that the foregoing is true and correct to the best of my knowledge and belief.

Date: August 1, 2025


Lawrence D. Van Dyn Heven

CERTIFICATE OF SERVICE

I, Alexander D. Chiquoine, hereby certify that the foregoing Declaration of Claimant Lawrence D. Van Dyn Hoven was filed on and served via CM/ECF pursuant to Local Rules 5005-4 and 9036-1. Courtesy copies were electronically provided to Counsel for Debtors and Debtors-in-Possession at jensenc@sullcrom.com, kranzelya@sullcrom.com, brown@lrclaw.com, and pierce@lrclaw.com. Hard copies of the filing were also hand delivered to Counsel for Debtors and Debtors-in-Possession's law offices at the addresses stated in Debtors' One Hundred Eighty-Sixth (Non-Substantive) Omnibus Objection to Certain Late Filed Proofs of Claims (Customer Claims) [Dkt. 31060]. Lastly, a hard copy of the filing was hand delivered to the United States Bankruptcy Court, 824 North Market Street, 3rd Floor, Wilmington, Delaware 19801. All the aforementioned events took place on August 1, 2025.

By: /s/ Alexander Chiquoine
Alexander D. Chiquoine (MN #0396420)
Leif T. Simonson (NY #4173316; MN #0389764)
McGOVERN WEEMS LLC
3 Columbus Circle, 15th Floor
New York, NY 10019
alec@mcgovernweems.com
leif@mcgovernweems.com
Tel.: (312) 550-6895 (Alec)
(612) 418-4271 (Leif)

Attorneys for Claimant Lawrence Van Dyn Hoven